



MACON COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

**From The Office Of State Auditor  
Claire McCaskill**

Report No. 2000-79  
August 23, 2000  
[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

# AUDIT REPORT



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

August 2000

[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

**IMPORTANT:** The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Macon, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

-----  
This audit of Macon County included additional areas of county operations, as well as the elected county officials. The following concerns were noted as part of the audit:

- The majority of Senate Bill 40 Board Fund expenditures are to not-for-profit corporations to provide various services to the handicapped. One not-for-profit corporation was assigned the administrative responsibility of monitoring other purchase of service providers; however, there was little indication that information provided by the other not-for-profit corporations was reviewed by this not-for-profit corporation or relayed to the Senate Bill 40 Board. In addition, the Senate Bill 40 Board is not monitoring the administrative or client services contract requirements of this not-for-profit corporation.
- The Senate Bill 40 Board may be incurring unnecessary expenses to a not-for-profit corporation. The 1999 administrative services contract provided for a monthly payment of \$833 (\$10,000 annually) to the not-for-profit corporation. However, the Senate Bill 40 Board paid additional office expenditures totaling approximately \$6,880. The office is used on a full-time basis by the administrative services not-for-profit corporation.
- Bid documentation was not always retained for various equipment purchases made by the county during the audit period. The County Commission indicated they solicit bids for equipment, but do not always maintain the bid documentation. Examples of items purchased, for which bid documentation could not be found included playground surfacing costing \$4,999, a trailer costing \$22,584, and two used dump trucks costing \$20,000 and \$27,000, respectively.

(over)

YELLOW SHEET

- The county prepared a schedule of expenditures of federal awards (SEFA) for the years ended December 31, 1999 and 1998; however, the information presented for some of the programs did not agree with the county's expenditure records. Without an accurate schedule, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal funds.

Also included in the audit are recommendations to the Circuit Clerk to investigate the status of cases for which monies are being held and distribute those monies for those accounts for which the balance due appears unlikely to be collected in the future. The audit also questioned some expenses of the Law Library Fund and the handling of reimbursements to the Circuit Clerk Interest Fund.

**Copies of the audit are available upon request.**

# MACON COUNTY, MISSOURI

## TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
State Auditor's Reports: .....	2-6
Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	5-6
Financial Statements: .....	7-29
<u>Exhibit</u>	<u>Description</u>
	Statement of Receipts, Disbursements, and Changes in Cash - Various Funds
A-1	Year Ended December 31, 1999 .....8
A-2	Year Ended December 31, 1998 .....9
	<u>General Revenue Fund</u>
B	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....10
	<u>Special Road and Bridge Fund</u>
C	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....11
	<u>Assessment Fund</u>
D	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....12
	<u>Law Enforcement Training Fund</u>
E	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....13
	<u>Prosecuting Attorney Training Fund</u>
F	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....14

MACON COUNTY, MISSOURI

TABLE OF CONTENTS

		<u>Page</u>
<u>FINANCIAL SECTION</u>		
Financial Statements:		
<u>Exhibit</u>	<u>Description</u>	
G	<u>Capital Improvements Sales Tax Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	15
H	<u>Prosecuting Attorney Delinquent Tax Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	16
I	<u>Law Enforcement Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	17
J	<u>Prosecuting Attorney Bad Check Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	18
K	<u>Victims of Domestic Violence Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	19
L	<u>Recorder's User Fee Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	20
M	<u>Sheriff Civil Fees Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	21

MACON COUNTY, MISSOURI

TABLE OF CONTENTS

		<u>Page</u>
<u>FINANCIAL SECTION</u>		
Financial Statements:		
<u>Exhibit</u>	<u>Description</u>	
N	<u>County Park Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	22
O	<u>Health Center Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	23
P	<u>Enhanced 911 Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	24
Q	<u>Senate Bill 40 Board Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	25
R	<u>Law Library Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	26
S	<u>Circuit Clerk Interest Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	27
T	<u>Associate Circuit Interest Fund</u> Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	28
U	<u>Sound Recording Fund</u> Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Year Ended December 31, 1999 .....	29

MACON COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<hr/> <b>FINANCIAL SECTION</b> <hr/>	
Notes to the Financial Statements.....	30-32
Supplementary Schedule:.....	33-35
 <u>Description</u>	
Schedule of Expenditures of Federal Awards, Years Ended December 31, 1999 and 1998 .....	34-35
Notes to the Supplementary Schedule .....	36-38
<hr/> <b>FEDERAL AWARDS - SINGLE AUDIT SECTION</b> <hr/>	
State Auditor's Report:.....	40-42
Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	41-42
Schedule:.....	43-46
Schedule of Findings and Questioned Costs (Including Management's Plan for Corrective Action), Years Ended December 31, 1999 and 1998.....	44-46
Section I - Summary of Auditor's Results.....	44
Section II - Financial Statement Findings.....	45
Section III - Federal Award Findings and Questioned Costs.....	45
99-1. Schedule of Expenditures of Federal Awards.....	45-46
Follow-Up on Prior Audit Findings for an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	47-48
Summary Schedule of Prior Audit Findings in Accordance With OMB Circular A-133 .....	49-50

MACON COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<u>MANAGEMENT ADVISORY REPORT SECTION</u>	
Management Advisory Report - State Auditor's Findings .....	52-58
<u>Number</u>	<u>Description</u>
1.	Senate Bill 40 Board .....54
2.	Procurement Policies and Procedures .....55
3.	Circuit Clerk.....56
4.	Restricted Use Funds .....57
Follow-Up on Prior Audit Findings .....	59-62
<u>STATISTICAL SECTION</u>	
History, Organization, and Statistical Information .....	64-69



## FINANCIAL SECTION

## State Auditor's Reports



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission  
and  
Officeholders of Macon County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Macon County, Missouri, as of and for the years ended December 31, 1999 and 1998, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Macon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Macon County.

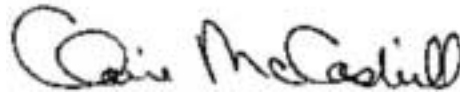
In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Macon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31,

1999 and 1998, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated May 2, 2000, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Macon County, Missouri, and was not subjected to the auditing procedures applied in the audit of the special-purpose financial statements referred to above.



Claire McCaskill  
State Auditor

May 2, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Peggy Schler, CPA
In-Charge Auditor:	Lonnie Breeding III
Audit Staff:	Martin Beck
	Nicki Russell
	Rose Lamb



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission  
and  
Officeholders of Macon County, Missouri

We have audited the special-purpose financial statements of various funds of Macon County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated May 2, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

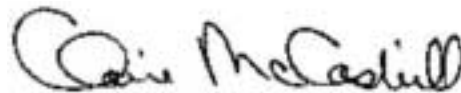
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Macon County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which are described in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Macon County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material

weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which are described in the accompanying Management Advisory Report.

This report is intended for the information of the management of Macon County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill  
State Auditor

May 2, 2000 (fieldwork completion date)

## Financial Statements

Exhibit A-1

MACON COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 59,273	1,387,983	1,321,992	125,264
Special Road and Bridge	451,055	1,413,926	1,493,977	371,004
Assessment	5	159,549	159,542	12
Law Enforcement Training	15,328	9,116	3,832	20,612
Prosecuting Attorney Training	996	1,483	2,144	335
Capital Improvements Sales Tax	98,754	872,556	828,431	142,879
Prosecuting Attorney Delinquent Tax	892	709	0	1,601
Law Enforcement	2,050	0	1,828	222
Prosecuting Attorney Bad Check	16,254	17,640	15,573	18,321
Victims of Domestic Violence	1,681	688	0	2,369
Recorder's User Fee	9,767	7,553	3,656	13,664
Sheriff Civil Fees	25,214	24,846	19,920	30,140
Conty Park	13,274	51,480	34,246	30,508
Health Center	244,226	509,736	474,458	279,504
Enhanced 911	277,566	393,965	349,933	321,598
Senate Bill 40 Board	58,138	116,991	114,920	60,209
Law Library	6,853	5,205	2,640	9,418
Circuit Clerk Interest	6,934	7,398	8,128	6,204
Associate Circuit Interest	606	1,657	1,253	1,010
Sound Recording Fund	0	1,382	1,379	3
Parent Education Fund	0	595	450	145
Total	\$ 1,288,866	4,984,458	4,838,302	1,435,022

The accompanying Notes to the Financial Statements are an integral part of this statement.



Exhibit A-2

MACON COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 153,319	1,280,965	1,375,011	59,273
Special Road and Bridge	437,961	1,292,342	1,279,248	451,055
Assessment	14	159,399	159,408	5
Law Enforcement Training	10,251	8,140	3,063	15,328
Prosecuting Attorney Training	984	1,590	1,578	996
Capital Improvement Sales Tax	216,642	693,073	810,961	98,754
Prosecuting Attorney Delinquent Tax	2,167	725	2,000	892
Law Enforcement	1,950	100	0	2,050
Prosecuting Attorney Bad Check	18,857	11,200	13,803	16,254
Victims of Domestic Violence	1,025	656	0	1,681
Recorder's User Fee	12,104	7,895	10,232	9,767
Sheriff Civil Fees	1,295	28,380	4,461	25,214
County Park	17,490	42,240	46,456	13,274
Health Center	260,551	447,281	463,606	244,226
Enhanced 911	288,683	386,857	397,974	277,566
Senate Bill 40 Board	47,366	115,999	105,227	58,138
Law Library	3,636	5,329	2,112	6,853
Circuit Clerk Interest	1,520	10,144	4,730	6,934
Associate Circuit Interest	2,152	4,228	5,774	606
Total	\$ 1,477,967	4,496,543	4,685,644	1,288,866

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit B

MACON COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 GENERAL REVENUE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
Property taxes	\$ 246,500	246,419	(81)	220,200	228,962	8,762
Sales taxes	500,000	500,995	995	483,000	491,136	8,136
Intergovernmental	236,926	222,592	(14,334)	206,476	229,743	23,267
Charges for services	253,900	253,309	(591)	244,471	244,027	(444)
Interest	10,000	10,439	439	15,000	14,302	(698)
Other	65,225	109,229	44,004	36,027	32,795	(3,232)
Transfers in	45,000	45,000	0	40,000	40,000	0
Total Receipts	1,357,551	1,387,983	30,432	1,245,174	1,280,965	35,791
<b>DISBURSEMENTS</b>						
County Commission	84,440	83,736	704	63,950	71,584	(7,634)
County Clerk	68,313	67,492	821	60,830	59,947	883
Elections	16,886	18,466	(1,580)	36,950	37,008	(58)
Buildings and grounds	80,192	80,703	(511)	91,230	87,920	3,310
Employee fringe benefits	184,534	170,139	14,395	170,931	176,529	(5,598)
County Treasurer	29,507	29,493	14	21,750	21,280	470
County Collector	64,800	62,067	2,733	61,310	60,159	1,151
Ex Officio Recorder of Deeds	31,735	30,791	944	33,888	32,668	1,220
Circuit Clerk	9,284	9,168	116	9,700	8,550	1,150
Associate Circuit Court	7,275	7,193	82	8,050	7,346	704
Court administration	10,035	9,712	323	12,133	6,721	5,412
Public Administrator	30,815	30,669	146	37,915	29,890	8,025
Sheriff	322,480	313,696	8,784	172,558	203,101	(30,543)
Jail	64,180	64,443	(263)	158,427	169,134	(10,707)
Prosecuting Attorney	91,206	91,690	(484)	99,980	101,608	(1,628)
Juvenile Officer	131,906	112,985	18,921	146,597	141,928	4,669
County Coroner	9,540	8,991	549	9,815	6,988	2,827
Public health and welfare services	14,131	12,529	1,602	9,600	17,899	(8,299)
Data processing	14,313	13,198	1,115	19,476	14,278	5,198
Other	95,852	96,006	(154)	115,353	108,743	6,610
Transfers out	14,673	8,825	5,848	17,275	11,730	5,545
Emergency Fund	40,727	0	40,727	37,350	0	37,350
Total Disbursements	1,416,824	1,321,992	94,832	1,395,068	1,375,011	20,057
RECEIPTS OVER (UNDER) DISBURSEMENTS	(59,273)	65,991	125,264	(149,894)	(94,046)	55,848
CASH, JANUARY 1	59,273	59,273	0	153,319	153,319	0
CASH, DECEMBER 31	\$ 0	125,264	125,264	3,425	59,273	55,848

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit C

MACON COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SPECIAL ROAD AND BRIDGE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 413,525	412,353	(1,172)	404,400	408,947	4,547
Intergovernmental	947,000	950,423	3,423	784,728	814,562	29,834
Interest	30,000	28,038	(1,962)	25,000	33,917	8,917
Other	18,000	23,112	5,112	27,500	34,916	7,416
Total Receipts	1,408,525	1,413,926	5,401	1,241,628	1,292,342	50,714
DISBURSEMENTS						
Salaries	480,000	473,432	6,568	450,000	441,677	8,323
Employee fringe benefits	163,453	154,435	9,018	147,709	142,667	5,042
Supplies	203,500	189,469	14,031	187,500	159,744	27,756
Insurance	17,500	16,496	1,004	20,000	16,657	3,343
Equipment repairs	80,000	90,097	(10,097)	90,000	74,904	15,096
Rentals	5,000	3,702	1,298	5,000	1,829	3,171
Equipment purchases	120,000	125,112	(5,112)	100,000	47,000	53,000
Construction, repair, and maintenance projects	405,143	363,332	41,811	403,000	332,812	70,188
Other	57,700	32,902	24,798	58,700	21,958	36,742
Transfers out	45,000	45,000	0	40,000	40,000	0
Total Disbursements	1,577,296	1,493,977	83,319	1,501,909	1,279,248	222,661
RECEIPTS OVER (UNDER) DISBURSEMENTS	(168,771)	(80,051)	88,720	(260,281)	13,094	273,375
CASH, JANUARY 1	451,055	451,055	0	437,961	437,961	0
CASH, DECEMBER 31	\$ 282,284	371,004	88,720	177,680	451,055	273,375

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit D

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ASSESSMENT FUND

		Year Ended December 31,					
		1999			1998		
				Variance Favorable (Unfavorable)			Variance Favorable (Unfavorable)
		Budget	Actual		Budget	Actual	
RECEIPTS							
Intergovernmental	\$	151,352	148,278	(3,074)	150,457	144,547	(5,910)
Charges for services		1,000	595	(405)	700	1,461	761
Interest		1,200	1,383	183	1,500	1,454	(46)
Other		200	468	268	100	207	107
Transfers in		14,673	8,825	(5,848)	17,275	11,730	(5,545)
Total Receipts		168,425	159,549	(8,876)	170,032	159,399	(10,633)
DISBURSEMENTS							
Assessor		168,430	159,542	8,888	170,043	159,408	10,635
Total Disbursements		168,430	159,542	8,888	170,043	159,408	10,635
RECEIPTS OVER (UNDER) DISBURSEMENTS		(5)	7	12	(11)	(9)	2
CASH, JANUARY 1		5	5	0	14	14	0
CASH, DECEMBER 31		\$ 0	12	12	3	5	2

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit E

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW ENFORCEMENT TRAINING FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Intergovernmental	\$ 1,800	3,159	1,400	1,832	432	
Charges for services	5,700	5,957	4,900	6,308	1,408	
Total Receipts	7,500	9,116	6,300	8,140	1,840	
DISBURSEMENTS						
Sheriff	12,000	3,832	13,000	3,063	9,937	
Total Disbursements	12,000	3,832	13,000	3,063	9,937	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,500)	5,284	(6,700)	5,077	11,777	
CASH, JANUARY 1	15,328	15,328	10,251	10,251	0	
CASH, DECEMBER 31	\$ 10,828	20,612	3,551	15,328	11,777	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit F

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
PROSECUTING ATTORNEY TRAINING FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Charges for services	\$ 1,700	1,483	1,700	1,590	(110)	
Total Receipts	1,700	1,483	1,700	1,590	(110)	
DISBURSEMENTS						
Prosecuting Attorney	2,357	2,144	2,500	1,578	922	
Total Disbursements	2,357	2,144	2,500	1,578	922	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(657)	(661)	(800)	12	812	
CASH, JANUARY 1	996	996	984	984	0	
CASH, DECEMBER 31	\$ 339	335	184	996	812	

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit G

MACON COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CAPITAL IMPROVEMENT SALES TAX

Year Ended December 31,						
1999			1998			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Sales taxes	\$ 500,000	500,857	857	483,000	491,078	8,078
Intergovernmental	398,246	365,143	(33,103)	324,000	194,106	(129,894)
Interest	4,000	6,556	2,556	15,000	7,889	(7,111)
Total Receipts	902,246	872,556	(29,690)	822,000	693,073	(128,927)
DISBURSEMENTS						
Supplies	2,500	1,996	504	2,500	2,753	(253)
Equipment	200,000	122,501	77,499	250,000	234,639	15,361
Materials	213,000	235,252	(22,252)	225,000	180,942	44,058
Special road districts	46,000	46,186	(186)	40,000	40,801	(801)
Federal bridge projects	312,800	286,933	25,867	405,000	257,791	147,209
Axtel road	135,060	135,060	0	26,000	62,353	(36,353)
Bridge contract	70,000	503	69,497	75,000	31,682	43,318
Total Disbursements	979,360	828,431	150,929	1,023,500	810,961	212,539
RECEIPTS OVER (UNDER) DISBURSEMENTS	(77,114)	44,125	121,239	(201,500)	(117,888)	83,612
CASH, JANUARY 1	98,754	98,754	0	216,642	216,642	0
CASH, DECEMBER 31	\$ 21,640	142,879	121,239	15,142	98,754	83,612

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit H

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
PROSECUTING ATTORNEY DELINQUENT TAX

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Intergovernmental	\$ 1,500	649	1,250	644	(606)	
Interest	90	60	90	81	(9)	
Total Receipts	1,590	709	1,340	725	(615)	
DISBURSEMENTS						
Prosecuting Attorney	2,000	0	2,000	2,000	0	
Total Disbursements	2,000	0	2,000	2,000	0	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(410)	709	(660)	(1,275)	(615)	
CASH, JANUARY 1	892	892	2,167	2,167	0	
CASH, DECEMBER 31	\$ 482	1,601	1,507	892	(615)	

The accompanying Notes to the Financial Statements are an integral part of this statement.



Exhibit I

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW ENFORCEMENT FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Other	\$ 0	0	0	100	100	
Total Receipts	0	0	0	100	100	
DISBURSEMENTS						
Sheriff	2,050	1,828	1,950	0	1,950	
Total Disbursements	2,050	1,828	1,950	0	1,950	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,050)	(1,828)	(1,950)	100	2,050	
CASH, JANUARY 1	2,050	2,050	1,950	1,950	0	
CASH, DECEMBER 31	\$ 0	222	0	2,050	2,050	

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit J

MACON COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY BAD CHECK

Year Ended December 31,						
1999			1998			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 13,000	15,045	2,045	11,500	10,085	(1,415)
Interest	500	785	285	1,200	1,115	(85)
Other	0	1,810	1,810	0	0	0
Total Receipts	13,500	17,640	4,140	12,700	11,200	(1,500)
DISBURSEMENTS						
Prosecuting Attorney	21,253	15,573	5,680	20,750	13,803	6,947
Total Disbursements	21,253	15,573	5,680	20,750	13,803	6,947
RECEIPTS OVER (UNDER) DISBURSEMENTS	(7,753)	2,067	9,820	(8,050)	(2,603)	5,447
CASH, JANUARY 1	16,254	16,254	0	18,857	18,857	0
CASH, DECEMBER 31	\$ 8,501	18,321	9,820	10,807	16,254	5,447

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit K

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
VICTIMS OF DOMESTIC VIOLENCE

		Year Ended December 31,					
		1999			1998		
				Variance			Variance
		Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	600	590	(10)	600	585	(15)
Interest		60	98	38	60	71	11
Total Receipts		660	688	28	660	656	(4)
DISBURSEMENTS							
Victims' shelter		2,000	0	2,000	1,000	0	1,000
Total Disbursements		2,000	0	2,000	1,000	0	1,000
RECEIPTS OVER (UNDER) DISBURSEMENTS		(1,340)	688	2,028	(340)	656	996
CASH, JANUARY 1		1,681	1,681	0	1,025	1,025	0
CASH, DECEMBER 31	\$	341	2,369	2,028	685	1,681	996

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit L

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
RECORDER'S USER FEE FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Charges for services	\$ 7,000	6,930	6,750	7,334	584	
Interest	750	623	250	561	311	
Total Receipts	7,750	7,553	7,000	7,895	895	
DISBURSEMENTS						
Ex Officio Recorder of Deeds	15,000	3,656	18,500	10,232	8,268	
Total Disbursements	15,000	3,656	18,500	10,232	8,268	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(7,250)	3,897	(11,500)	(2,337)	9,163	
CASH, JANUARY 1	9,767	9,767	12,104	12,104	0	
CASH, DECEMBER 31	\$ 2,517	13,664	604	9,767	9,163	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit M

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
SHERIFF CIVIL FEES FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Charges for services	\$ 26,000	23,629	18,000	27,706	9,706	
Interest	700	1,217	200	674	474	
Total Receipts	26,700	24,846	18,200	28,380	10,180	
DISBURSEMENTS						
Sheriff	28,063	19,920	18,000	4,461	13,539	
Total Disbursements	28,063	19,920	18,000	4,461	13,539	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,363)	4,926	200	23,919	23,719	
CASH, JANUARY 1	25,214	25,214	1,295	1,295	0	
CASH, DECEMBER 31	\$ 23,851	30,140	1,495	25,214	23,719	

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit N

MACON COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 COUNTY PARK FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 33,375	33,606	231	34,376	33,375	(1,001)
Intergovernmental	5,675	5,802	127	675	891	216
Charges for services	5,900	6,875	975	2,000	4,225	2,225
Interest	1,000	1,580	580	1,200	1,580	380
Other	1,250	3,617	2,367	1,670	2,169	499
Total Receipts	47,200	51,480	4,280	39,921	42,240	2,319
DISBURSEMENTS						
Salaries	14,638	14,428	210	14,250	14,168	82
Equipment and equipment repairs	1,500	1,598	(98)	2,000	1,880	120
Insurance	2,500	2,256	244	2,400	2,129	271
Utilities	8,750	6,631	2,119	8,750	7,879	871
Bookkeeping	600	600	0	600	600	0
Supplies	1,250	591	659	1,500	1,059	441
Upkeep and repair	6,000	6,955	(955)	12,500	10,308	2,192
Improvements	5,295	1,187	4,108	8,500	8,433	67
Total Disbursements	40,533	34,246	6,287	50,500	46,456	4,044
RECEIPTS OVER (UNDER) DISBURSEMENTS	6,667	17,234	10,567	(10,579)	(4,216)	6,363
CASH, JANUARY 1	13,274	13,274	0	17,490	17,490	0
CASH, DECEMBER 31	\$ 19,941	30,508	10,567	6,911	13,274	6,363

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit O

MACON COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 HEALTH CENTER FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 175,000	171,910	(3,090)	175,000	170,713	(4,287)
Intergovernmental	244,368	224,325	(20,043)	250,000	200,728	(49,272)
Charges for services	52,958	39,116	(13,842)	50,000	59,014	9,014
Interest	15,000	13,674	(1,326)	15,000	14,667	(333)
Other	2,240	2,712	472	60,000	2,159	(57,841)
Loan proceeds	0	58,000	58,000	0	0	0
Total Receipts	489,566	509,737	20,171	550,000	447,281	(102,719)
DISBURSEMENTS						
Salaries and fringe benefits	412,620	377,490	35,130	430,160	372,776	57,384
Office expenditures	26,100	23,175	2,925	33,450	22,376	11,074
Equipment	11,500	4,063	7,437	31,500	14,944	16,556
Mileage and training	15,000	14,200	800	18,000	13,921	4,079
Wellness/nursing/WIC	33,000	32,688	312	25,000	31,211	(6,211)
Other	10,000	22,842	(12,842)	11,000	8,378	2,622
Total Disbursements	508,220	474,458	33,762	549,110	463,606	85,504
RECEIPTS OVER (UNDER) DISBURSEMENTS	(18,654)	35,279	53,933	890	(16,325)	(17,215)
CASH, JANUARY 1	244,226	244,226	0	260,551	260,551	0
CASH, DECEMBER 31	\$ 225,572	279,505	53,933	261,441	244,226	(17,215)

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit P

MACON COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 ENHANCED 911 FUND

Year Ended December 31,						
1999			1998			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Sales taxes	\$ 388,500	377,858	(10,642)	350,000	370,374	20,374
Intergovernmental	0	2,580	2,580	0	4,193	4,193
Charges for services	4,400	0	(4,400)	4,200	0	(4,200)
Interest	13,200	13,038	(162)	12,500	9,769	(2,731)
Other	261	489	228	2,225	2,521	296
Total Receipts	406,361	393,965	(12,396)	368,925	386,857	17,932
DISBURSEMENTS						
Salaries	281,785	253,003	28,782	246,931	241,727	5,204
Office expenditures	19,900	11,208	8,692	32,148	32,218	(70)
Equipment	264,700	73,298	191,402	113,200	109,582	3,618
Mileage and training	4,700	7,001	(2,301)	4,446	4,007	439
Other	6,800	5,423	1,377	8,099	10,440	(2,341)
Total Disbursements	577,885	349,933	227,952	404,824	397,974	6,850
RECEIPTS OVER (UNDER) DISBURSEMENTS	(171,524)	44,032	215,556	(35,899)	(11,117)	24,782
CASH, JANUARY 1	277,360	277,566	206	279,610	288,683	9,073
CASH, DECEMBER 31	\$ 105,836	321,598	215,762	243,711	277,566	33,855

The accompanying Notes to the Financial Statements are an integral part of this statement.



Exhibit Q

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
SENATE BILL 40 BOARD FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Property taxes	\$ 113,760	114,856	113,662	114,067	405	
Interest	1,200	2,135	1,200	1,932	732	
Total Receipts	114,960	116,991	114,862	115,999	1,137	
DISBURSEMENTS						
Administrative expenses	21,689	19,625	43,486	27,973	15,513	
Service contracts and special support	78,462	77,051	53,026	60,815	(7,789)	
Building payment and repairs	18,244	18,244	17,783	16,439	1,344	
Total Disbursements	118,395	114,920	114,295	105,227	9,068	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,435)	2,071	567	10,772	10,205	
CASH, JANUARY 1	58,138	58,138	31,116	47,366	16,250	
CASH, DECEMBER 31	\$ 54,703	60,209	31,683	58,138	26,455	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit R

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW LIBRARY FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Charges for services	\$ 5,070	5,015	3,400	5,180	1,780	
Interest	30	190	0	149	149	
Total Receipts	5,100	5,205	3,400	5,329	1,929	
DISBURSEMENTS						
Circuit Judge	10,000	2,640	7,036	2,112	4,924	
Total Disbursements	10,000	2,640	7,036	2,112	4,924	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,900)	2,565	(3,636)	3,217	6,853	
CASH, JANUARY 1	6,810	6,853	3,636	3,636	0	
CASH, DECEMBER 31	\$ 1,910	9,418	0	6,853	6,853	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit S

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
CIRCUIT CLERK INTEREST FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	3,500	7,007	3,507	2,000	5,819	3,819
Other	0	391	391	0	4,325	4,325
Total Receipts	3,500	7,398	3,898	2,000	10,144	8,144
DISBURSEMENTS						
Circuit Clerk	10,000	8,128	1,872	3,500	4,730	(1,230)
Total Disbursements	10,000	8,128	1,872	3,500	4,730	(1,230)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(6,500)	(730)	5,770	(1,500)	5,414	6,914
CASH, JANUARY 1	6,934	6,934	0	1,520	1,520	0
CASH, DECEMBER 31	\$ 434	6,204	5,770	20	6,934	6,914

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit T

MACON COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ASSOCIATE CIRCUIT INTEREST FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	1,800	1,657	(143)	2,000	1,870	(130)
Other	0	0	0	0	2,358	2,358
Total Receipts	1,800	1,657	(143)	2,000	4,228	2,228
DISBURSEMENTS						
Associate Circuit Judge	2,400	1,253	1,147	1,000	5,774	(4,774)
Total Disbursements	2,400	1,253	1,147	1,000	5,774	(4,774)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(600)	404	1,004	1,000	(1,546)	(2,546)
CASH, JANUARY 1	606	606	0	2,152	2,152	0
CASH, DECEMBER 31	\$ 6	1,010	1,004	3,152	606	(2,546)

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit U

MACON COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
SOUND RECORDING FUND

Year Ended December 31,			
1999			
			Variance
	Budget	Actual	Favorable
			(Unfavorable)
RECEIPTS			
Charges for services	\$ 1,500	1,365	(135)
Interest	0	17	17
Total Receipts	1,500	1,382	(118)
DISBURSEMENTS			
Equipment	0	780	(780)
Supplies	1,500	599	901
Total Disbursements	1,500	1,379	121
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	3	3
CASH, JANUARY 1	0	0	0
CASH, DECEMBER 31	\$ 0	3	3

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Notes to the Financial Statements

MACON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Macon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, Senate Bill 40 Board, or the Enhanced 911 Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1999, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt a formal budget for the Parent Education Fund for the year ended December 31, 1999.

Warrants issued were in excess of budgeted amounts for the Circuit Clerk Interest Fund and the Associate Circuit Interest Fund in 1998. Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show

receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statement for the year ended December 31, 1999, did not include the Parents Education Program Fund.

## 2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1999, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy.

The investment policy provides that only legal investments will be purchased from financial institutions approved by the Missouri Division of Finance. Macon County's investment preferences are U.S. Treasuries and Securities and collateralized time and demand deposits.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's, Enhanced 911's and Senate Bill 40's deposits at December 31, 1999 and 1998, were entirely covered by federal depository insurance or by collateral securities held by the county's holding bank in the county's and respective board's name.

The health center's deposits at December 31, 1999, were entirely covered by federal depository insurance or by collateral securities held by the county's holding bank in the health center's name.

Of the health center's bank balance at December 31, 1998, \$262,700 was covered by federal depository insurance or by collateral securities held by the health center's holding bank in the health center's name, and \$5,800 was uninsured and uncollateralized.

To protect the safety of county deposits, Section 110.020, RSMo 1994, requires depositories to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.



## Supplementary Schedule

## Schedule

MACON COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF AGRICULTURE				
	Passed through state:			
	Department of Health -			
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ERO045-8161 ERO045-9161 ERO045-0161	\$ 54,858	41,866
U.S. DEPARTMENT OF JUSTICE				
	Direct programs:			
16.unknown	Equitable Sharing of Seized and Forfeited Property	N/A	6,407	0
	Passed through:			
	State Department of Public Safety -			
16.579	Byrne Formula Grant Program	98-NCDI-11	6,696	13,156
	Missouri Sheriffs' Association -			
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	830	0
U. S. DEPARTMENT OF TRANSPORTATION				
	Passed through state Highway and Transportation Commission:			
20.205	Highway Planning and Construction	BRO-061(15) BRO-061(17) BRO-061(18) BRO-061(21)	0 214,301 11,726 3,803	4,111 15,541 0 187,460
	Program Total		<u>229,830</u>	<u>207,112</u>
GENERAL SERVICES ADMINISTRATION				
	Passed through state Office of Administration -			
39.003	Donation of Federal Surplus Personal Property	N/A	31	0
FEDERAL EMERGENCY MANAGEMENT AGENCY				
	Passed through state Department of Public Safety:			
83.544	Public Assistance Grants	FEMA-1253-DR-MO	50,979	82,089

## Schedule

MACON COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Program:				
93.268	Immunization Grants	N/A	1,771	344
Passed through state:				
Department of Health -				
93.268	Immunization Grants	N/A	30,213	17,473
		PG0064-8161IAP	1,285	6,080
		PG0064-9161IAP		
		PG0064-0161IAP		
	Program Total		<u>33,269</u>	<u>23,897</u>
Department of Social Services -				
93.563	Child Support Enforcement	N/A	3,382	27,425
Department of Health -				
93.575	Child Care and Development Block Grant	ERO146-8161 ERO146-9161	358	836
		PG0067-9161	2,310	1,730
		PG0067-8161		
	Program Total		<u>2,668</u>	<u>2,566</u>
93.991	Preventive Health and Health Services Block Grant	N/A	360	454
93.994	Maternal and Child Health Services Block Grant to the States	N/A	1,798	1,588
		ERO146-9161	19,185	21,046
		ERO146-8161		
	Program Total		<u>20,983</u>	<u>22,634</u>
	Total Expenditures of Federal Awards		<u>\$ 410,293</u>	<u>421,199</u>

N/A - Not applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

## Notes to the Supplementary Schedule

MACON COUNTY, MISSOURI  
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Macon County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals . . . .

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Donation of Federal Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

The direct program amounts for Immunization Grants (CFDA number 93.268) represent the original acquisition cost of varicella (chicken pox) vaccine provided to the Health Center through the Centers for Disease Control of the U.S. Department of Health and Human Services. Of the pass-through amounts for that program, \$30,213 and \$17,473 represent the original acquisition cost of other vaccines purchased by the Centers for Disease Control but distributed to the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$360 and \$454 represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$1,798 and \$1,588 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The remaining pass-through amounts for Immunization Grants, the Preventive Health and Health Services Block Grant, and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$970 to a subrecipient under the Child Care and Development Block Grant (CFDA number 93.575) during the year ended December 31, 1999.

FEDERAL AWARDS -  
SINGLE AUDIT SECTION

## State Auditor's Report





**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission  
and  
Officeholders of Macon County, Missouri

Compliance

We have audited the compliance of Macon County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 1999 and 1998. The county's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Macon County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 1999 and 1998. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with

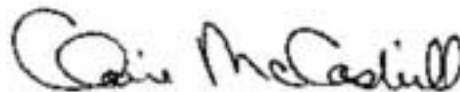
OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 99-1.

### Internal Control Over Compliance

The management of Macon County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Macon County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill  
State Auditor

May 2, 2000 (fieldwork completion date)

Schedule

MACON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 1999 AND 1998

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness identified?        yes   x   no

Reportable condition identified that is  
not considered to be material weakness?        yes   x   none reported

Noncompliance material to the financial statements  
noted?        yes   x   no

Federal Award

Internal control over major program:

Material weakness identified?        yes   x   no

Reportable condition identified that is  
not considered to be material weakness?        yes   x   none reported

Type of auditor's report issued on compliance for  
major program: Unqualified

Any audit findings disclosed that are required to be  
reported in accordance with Section .510(a) of OMB  
Circular A-133?   x   yes        no

Identification of major program:

CFDA or	
Other Identifying	
<u>Number</u>	<u>Program Title</u>
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A  
and Type B programs: \$300,000

Auditee qualified as a low-risk auditee?

\_\_\_\_\_ yes        x   no

## Section II - Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

## Section III - Federal Award Findings and Questioned Costs

This section includes the audit finding that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

**99-1**

### Schedule of Expenditures of Federal Awards

Federal Grantor:	U.S. Department of Transportation
Pass- Through Grantor:	State Highway and Transportation Commission
Federal CFDA Number:	20.205
Program Title:	Highway Planning and Construction
Pass-Through Entity	
Identifying Number:	BRO-061(15), BRO-061(17), BRO-061(18) & BRO-061(21)
Award Years:	1999 and 1998
Questioned Costs:	Not Applicable

Section .310(b) of Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, requires the auditee to prepare a schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements. The county is required to submit the SEFA to the State Auditor's Office as part of the annual budget.

The county prepared a SEFA for the years ended December 31, 1999 and 1998; however, the information presented for some of the programs did not agree with the county's expenditure records.

Without an accurate SEFA, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal funds.

**WE RECOMMEND** the County Commission prepare a complete and accurate schedule of expenditures of federal awards to submit to the State Auditor's Office as part of the annual budget.

### **AUDITEE'S RESPONSE**

*The County Commission indicated they will make every attempt to implement the recommendation with the schedule submitted for calendar year 2000. Most of the programs were accurately presented; however, there were timing differences associated with some of the amounts reported.*

*The County Commission stated they will talk to health center personnel about the information submitted for health programs; however, they have no way to verify that information.*

Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

MACON COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the two years ended December 31, 1997, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.



Summary Schedule of Prior Audit Findings  
in Accordance With OMB Circular A-133

MACON COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

Our prior audit report issued for the two years ended December 31, 1997, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

## MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -  
State Auditor's Findings

MACON COUNTY, MISSOURI  
MANAGEMENT ADVISORY REPORT -  
STATE AUDITOR'S FINDINGS

We have audited the special-purpose financial statements of various funds of Macon County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated May 2, 2000. We also have audited the compliance of Macon County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 1999 and 1998, and have issued our report thereon dated May 2, 2000.

We also have reviewed the operations of elected officials with funds other than those presented in the special-purpose financial statements. As applicable, the objectives of this review were to:

1. Determine the internal controls established over the transactions of the various county officials.
2. Review and evaluate certain other management practices for efficiency and effectiveness.
3. Review certain management practices and financial information for compliance with applicable constitutional, statutory, or contractual provisions.

Our review was made in accordance with applicable generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed accounting and bank records and other pertinent documents and interviewed various personnel of the county officials.

As part of our review, we assessed the controls of the various county officials to the extent we determined necessary to evaluate the specific matters described above and not to provide assurance on those controls. With respect to controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk.

Because the Macon County Samaritan Memorial Board of Trustees is audited and separately reported on by other independent auditors, the related fund is not presented in the special-purpose financial statements. However, we reviewed that audit report and the substantiating working papers for the year ended December 31, 1999.

Our review was limited to the specific matters described in the preceding paragraphs and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying Management Advisory Report presents our findings arising from our review of the elected county officials and the county board referred to above. In addition, this report includes findings other than those, if any, reported in the accompanying Schedule of Findings and Questioned

Costs. These findings resulted from our audit of the special-purpose financial statements of Macon County but do not meet the criteria for inclusion in the written report on compliance and on internal control over financial reporting that is required for an audit performed in accordance with *Government Auditing Standards*.

<b>1. Senate Bill 40 Board</b>
--------------------------------

The majority of Senate Bill 40 (SB 40) Board Fund expenditures are to not-for-profit (NFP) corporations for purchase of service (POS) contracts. The NFP corporations provide various services to the handicapped residents of Macon County. In addition, the SB 40 Board contracts for administrative services with one of these NFP corporations. During our review of Senate Bill 40 Board contracts and related expenditures and procedures we noted the following:

- A. As part of the administrative services contract, the NFP corporation was assigned the responsibility of monitoring other POS providers. We noted financial information and audit reports were received for all but one of the POS providers as provided by the contracts; however, we saw little indication that the information provided had been reviewed by the administrative services NFP corporation or relayed to the SB 40 Board. In addition, there is no evidence the SB 40 Board is monitoring the administrative or client services contract requirements of the NFP corporation providing oversight. There were several instances in which the SB 40 Board was unable to answer our questions and had to rely upon the NFP administrative liaison.

Without adequate monitoring, the SB 40 Board cannot ensure the reasonableness and propriety of expenditures or compliance with contract terms and statutory provisions.

- B. The 1999 administrative services contract provided for a monthly payment of \$833 (\$10,000 annually) to the NFP corporation. During 1999 we noted additional expenditures of approximately \$1,500 for rent, \$980 for utilities, \$1,000 for telephone, \$1,100 for a copier, and \$2,300 for office supplies.

The office is utilized on a full-time basis by the administrative services NFP corporation which also lists this location as a satellite office in its 1999 annual report. Office space and related expenditures are not provided for in the contract with the NFP corporation. The percentage of office expenditures has not been allocated between the NFP corporation and the SB 40 Board. The NFP corporation has not reimbursed the SB 40 Board for any office expenses, although they did pay the telephone bill from September through December.

By providing office space and utilities to the NFP which are not required by the contract, the SB 40 Board may be incurring unnecessary expenses.

- C. The 1999 rental agreement binding the SB 40 Board to pay monthly rent of \$125 and half of office utilities was signed by the administrative services liaison (an employee

of the NFP corporation) rather than a SB 40 Board member. There does not appear to be any provision in the contract with the NFP corporation which allows the NFP corporation to enter into contracts which bind the SB 40 Board.

**WE RECOMMEND** the Senate Bill 40 Board:

- A. Ensure that adequate documentation is received from all service providers and monitored for compliance with statutory and contract provisions.
- B. Determine whether incurring the cost of office space and related expenditures for the NFP corporation in addition to the monthly fee is a reasonable and prudent use of funds. If the SB 40 Board decides to continue this practice, the contract should be amended to specify the office expenditures each party is responsible for.
- C. Approve and sign all contracts.

**AUDITEE'S RESPONSE** the Senate Bill 40 Board President indicated:

- A. *The SB40 Board will monitor the contracts and document the monitoring in the minutes.*
- B. *The SB 40 Board will discuss this situation at the next monthly meeting.*
- C. *The recommendation will be implemented immediately.*

<b>2. Procurement Policies and Procedures</b>
---

Bid documentation was not always retained for various equipment purchases made by the county during the audit period. The County Commission indicated they solicit bids for equipment, but do not always maintain the bid documentation. Examples of items purchased, for which bid documentation could not be found are as follows:

Playground Surfacing	\$ 4,999
Used Dump Truck	20,000
Used Dump Truck	27,000
Trailer	22,584

Section 50.660, RSMo 1999, requires the advertisement for bids for all purchases of \$4,500 or more from any one person, firm or corporation during any period of ninety days.

Bidding procedures for major purchases provide a framework for economical management of county resources and help assure the county that it receives fair value by contracting with the lowest and best bidder. In addition, competitive bidding assures all parties are given an equal opportunity to participate in county business.

Documentation of bids should include, at a minimum, a listing of vendors from whom bids were requested, a copy of the request proposal, newspaper, publication notices, bids received,

the basis of justification for awarding bids, and documentation of all discussions with vendors.

**WE RECOMMEND** the County Commission solicit bids for all items in accordance with state law. Documentation of bids solicited and justification for bid awards should be maintained by the County Clerk. If bids cannot be obtained and sole source procurement is necessary, the County Commission minutes should reflect the circumstances.

### **AUDITEE'S RESPONSE**

*The County Commission indicated they will document the solicitation of bids on used equipment. They stated the trailer had been bid although the bid file could not be located. The County Commission will talk with the County Park Board and inform them that they are required to solicit bids. This recommendation will be implemented immediately.*

<b>3. Circuit Clerk</b>
-------------------------

The Circuit Clerk's office collects court costs for each case filed. Additionally, amounts may be collected for court ordered restitution, bonds, prisoner board bills, and other items. These amounts are held on deposit by the clerk in the fee account until the full amount is received. The monies are then distributed to the applicable parties. Many of the funds on deposit are for old cases which contain amounts insufficient to cover all costs charged in the case.

The Circuit Clerk's December 31, 1999, open items listing included approximately 390 entries totaling \$118,000. Approximately \$49,000 of this balance is related to cases originating prior to 1997 with some cases dating as far back as 1983. If it appears unlikely the remaining amounts owed will be collected, a court order should be obtained to allow the balance to be prorated among the applicable recipients. Attorney General's Opinion No. 26, 1973 to Osborne, concluded that "If, when liability has been established, accrued costs cannot be collected in full, charges not having any statutory priority or not allocated under court rule should be prorated."

Old inactive case balances increase the volume of cases which must be monitored and controlled, putting a greater burden on limited personnel resources. In addition, failure to prorate available monies when it is unlikely the balance will be collected deprives the state, county, and other parties of the use of those monies.

**WE RECOMMEND** the Circuit Clerk investigate the status of cases for which monies are being held in the fee account and distribute those monies for those accounts which appear unlikely to be collected in the future.



## **AUDITEE'S RESPONSE**

*The Circuit Clerk is implementing this recommendation. As of July 1, 2000, there was a balance of approximately \$28,800 related to cases originating prior to 1997. A bond in the amount of \$10,500 is included in this balance which cannot be distributed because the case has yet to be determined.*

<b>4. Restricted Use Funds</b>
--------------------------------

- A. In 1998, carpeting was purchased from the Law Library Fund and installed in the law library, jury room, and the Circuit Judge's office at a total cost of approximately \$950.

Sections 514.440 - 450, RSMo 1994, allows the collection of a law library fee to be used for the maintenance and upkeep of the law library.

As a result, the costs related to the jury room and the Circuit Judge's do not appear to be a reasonable and prudent use of the Law Library Fund.

- B. During 1998 an entity began paying the Circuit Clerk/Ex Officio Recorder of Deeds' office \$100 per month to perform record searches. During our review of this arrangement we noted the following:

- 1) From January through October 1998, a total of \$1,000 was received for these services and deposited into the Circuit Clerk Interest Fund. We could find no authority for the Circuit Clerk/Ex Officio Recorder of Deeds to retain these monies. As a result, \$1,000 is due to the General Revenue Fund from the Circuit Clerk Interest Fund.
- 2) The Ex Officio Recorder of Deeds indicated that beginning in November 1998, the monies were no longer paid to the office, but were paid directly to the employee performing the records search. She further indicated the employee reimbursed the office for copies related to the records search. However, there has been no determination of whether other costs were incurred by the county for which there was no reimbursement. Effective June 2000, the payment for the record search is made to the Ex Officio Recorder of Deeds' office and turned over to the General Revenue Fund.

### **WE RECOMMEND:**

- A. The Circuit Judge ensure expenditures from the Law Library Fund are reasonable and prudent.
- B. The Circuit Clerk/Ex Officio Recorder of Deeds pay \$1,000 to the General Revenue Fund from the Circuit Clerk Interest Fund. In addition, the Circuit Clerk/Ex Officio

Recorder of Deeds and County Commission should review this situation and determine whether any monies are due for the use of county resources.

**AUDITEE'S RESPONSE**

- A. *The Circuit Judge indicated he uses his office for most of his research. There are some library books in his chambers, there is restricted space in the law library, and there is not a telephone in the law library. In past years the General Revenue Fund has provided funding of \$5,000 to \$6,000 for the law library. This year there is only \$100 budgeted in the General Revenue Fund for the law library. The Circuit Judge stated he believes the carpeting was a legitimate expense.*
- B. *The Circuit Clerk paid \$1,000 to the General Revenue from the Circuit Clerk Interest Fund on August 7, 2000. The Circuit Clerk indicated that she was in the office after hours when the deputy was performing this work; therefore, no additional costs were incurred.*

*The County Commission indicated it would be impossible to identify additional costs to the county beyond the cost of copies which had already been reimbursed. Since the situation has been rectified, the County Commission will not take any further action regarding this matter.*

This report is intended for the information of the management of Macon County, Missouri, and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

## Follow-Up on Prior Audit Findings

## MACON COUNTY, MISSOURI FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Macon County, Missouri, on findings in the Management Advisory Report (MAR) of our prior audit report issued for the two years ended December 31, 1997. The prior recommendations which have not been implemented, but are considered significant, have been repeated in the current MAR. Although the remaining unimplemented recommendations have not been repeated, the county should consider implementing these recommendations.

### 1. Purchase of Used Equipment

Bid documentation was not always retained for various purchases of used equipment made by the county. The County Commission indicated they solicited bids for used equipment, but did not always maintain documentation of such.

#### Recommendation:

The County Commission solicit bids for all items in accordance with state law. Documentation of bids solicited and justification for bid awards should be maintained by the County Clerk. If bids cannot be obtained and sole source procurement is necessary, the County Commission minutes should reflect the circumstances.

#### Status:

Not implemented. See MAR No. 2.

### 2. Federal Financial Assistance

The officer working on the D.A.R.E. program did not spend 100 percent of his time on D.A.R.E. activities. However, 100 percent of his salary was claimed for reimbursement.

#### Recommendation:

The County Commission consult with the grantor agency to resolve the questioned costs. In addition, the County Commission should ensure salary reimbursements are allocated equitably between work being performed for federal programs and other projects.

#### Status:

Implemented. The Department of Public Safety indicated it will not pursue reimbursement of funds.

3. Prosecuting Attorney's Accounting Controls and Procedures

- A. Accounting duties were not adequately segregated.
- B. An open items listing was not prepared. Consequently, open items were not reconciled with bank and book balances.

Recommendation:

The Prosecuting Attorney:

- A. Adequately segregate accounting and bookkeeping duties to the extent possible. At a minimum, the Prosecuting Attorney should perform documented reviews of the work performed.
- B. Prepare a listing of open items on a monthly basis and reconcile the listing to bank and book balances.

Status:

- A. Partially implemented. The Prosecuting Attorney does review bank reconciliations. Although not repeated in the current report, our recommendation remains as stated above.
- B. Partially implemented. The Prosecuting Attorney's office currently prepares an open items listing; however, the reconciled bank balance at December 31, 1999, exceeded the open items listing by approximately \$700. The Prosecuting Attorney's office is currently trying to identify the difference and at June 30, 2000, the reconciled bank balance exceeded the open items listing by approximately \$600. Although not repeated in the current report, our recommendation remains as stated above.

4. Health Center

The Board of Trustees approved expenditures in excess of budgeted amounts for the years ended December 31, 1997 and 1996.

Recommendation:

The Health Center Board of Trustees refrain from incurring expenditures in excess of budget amounts. If the county receives additional funds which could not be anticipated when the budget was adopted, the Board of Trustees should amend its budget by following procedures required by state law.

Status:

Implemented.

5. Senate Bill 40 Board

The Senate Bill 40 Board approved expenditures in excess of budgeted amounts for the years ended December 31, 1997 and 1996.

Recommendation:

The Senate Bill 40 Board refrain from incurring expenditures in excess of budget amounts. If additional are received which could not be anticipated when the budget was adopted, the Senate Bill 40 Board should amend its budget by following procedures required by state law.

Status:

Implemented.

## STATISTICAL SECTION

History, Organization, and  
Statistical Information



MACON COUNTY, MISSOURI  
HISTORY, ORGANIZATION,  
AND STATISTICAL INFORMATION

Organized in 1837, the county of Macon was named after Nathaniel Macon, a U.S. Congressman and Senator. Macon County is a county-organized, third-class county and is part of the Forty-First Judicial Circuit. The county seat is Macon.

Macon County's government is composed of a three-member county commission and separate elected officials performing various tasks. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials.

Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records of importance to the county's citizens.

Counties typically spend a large portion of their receipts to support general county operations and to build and maintain roads and bridges. The following chart shows from where Macon County received its money in 1999 and 1998 to support the county General Revenue and Special Road and Bridge Funds:

SOURCE	1999		1998	
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL
Property taxes	\$ 658,772	23	637,909	25
Sales taxes	500,995	18	491,136	19
Federal and state aid	1,173,015	42	1,044,305	41
Fees, interest, and other	469,127	17	399,957	15
Total	\$ 2,801,909	100	2,573,307	100

The following chart shows how Macon County spent monies in 1999 and 1998 from the General Revenue and Special Road and Bridge Funds:

USE	1999		1998	
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL
General county government	\$ 730,187	26	752,252	28
Public safety	591,805	21	622,759	24
Highways and roads	1,493,977	53	1,279,248	48
Total	\$ 2,815,969	100	2,654,259	100

In addition, significant sales tax and intergovernmental receipts and capital improvement expenses are accounted for in the Capital Improvement Sales Tax Fund. Receipts of the Capital Improvements Sales Tax Fund were \$872,556 and \$693,073 and disbursements were \$828,431 and \$810,961 for the years ended December 31, 1999 and 1998, respectively.

The county maintains approximately 259 county bridges and 919 miles of county roads.

The county's population was 15,432 in 1970 and 15,345 in 1990. The following chart shows the county's change in assessed valuation since 1970:

		Year Ended December 31,				
		1999	1998	1985*	1980**	1970**
		(in millions)				
Real estate	\$	69.6	62.4	56.3	32.6	19.7
Personal property		36.0	34.7	14.8	10.7	6.1
Railroad and utilities		18.1	17.1	18.3	10.2	9.4
Total	\$	123.7	114.2	89.4	53.5	35.2

\* First year of statewide reassessment.

\*\* Prior to 1985, separate assessments were made for merchants' and manufacturers' property. These amounts are included in real estate.

Macon County's property tax rates per \$100 of assessed valuations were as follows:

		Year Ended December 31,	
		1999	1998
General Revenue Fund	\$	.22	.22
Special Road and Bridge Fund*		.67	.67
Health Center Fund		.15	.15
Senate Bill 40 Board Fund		.10	.10
County Park Fund		.03	.03

\* The county retains all tax proceeds from areas not within road districts. The county has two road districts that receive four-fifths of the tax collections from property within these districts, and the Special Road and Bridge Fund retains one-fifth.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. The county bills and collects property taxes for itself and most other local governments. Taxes collected were distributed as follows:

Year Ended February 28,		
	2000	1999
State of Missouri	\$ 38,164	34,452
General Revenue Fund	274,675	247,193
Road Funds	733,008	666,225
Assessment Fund	75,729	69,387
Health Center Fund	185,434	167,388
Senate Bill 40 Board Fund	123,861	111,810
School districts	4,244,320	3,908,254
Hospital Fund	247,815	223,553
Ambulance district	185,909	167,829
County Park Fund	37,183	33,566
Nursing home districts	185,756	167,702
Cities	100,690	95,521
County Clerk fees, licenses, and other	14,635	11,146
County Employees' Retirement	24,307	20,102
Commissions and fees:		
General Revenue Fund	113,722	103,385
Total	\$ 6,585,208	6,027,513

Percentages of current taxes collected were as follows:

Year Ended February 28,		
	2000	1999
Real estate	95.4 %	94.5 %
Personal property	89.4	90.0
Railroad and utilities	100.0	91.6

Macon County also has the following sales taxes; rates are per \$1 of retail sales:

	Rate	Expiration Date	Required Property Tax Reduction
General	\$ 0.00500	None	50 %
Road and Bridge Capital Improvements	0.00500	April, 2001	None
Enhanced 911	0.00375	None	None

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below.

Officeholder	2000	1999	1998
County-Paid Officials:			
Craig Jones, Presiding Commissioner	\$	27,080	
Roger Kohl, Presiding Commissioner			17,500
Gail Smith, Associate Commissioner		25,080	17,500
Steven J. Fuller, Associate Commissioner		25,080	17,500
Pat Clarke, County Clerk		38,000	29,500
R. Timothy Bickhaus, Prosecuting Attorney		45,000	
David A. Masters, Prosecuting Attorney			34,000
Robert Dawson, Sheriff		36,000	36,000
Carol Walker, County Treasurer		28,120	20,555
Shawn M. Armstrong, County Coroner		6,500	6,500
John Richard Jones, Public Administrator *		29,839	29,001
Jeanette Ronchetto, Collector	38,000		
year ended February 28 (29),			
Wayne Lyda, County Collector,		32,560	
year ended February 28,			
Floyd R. Kilgore, County Assessor **, year ended		38,900	38,900
August 31,			
Edward A. Cleaver, County Surveyor ***			
State-Paid Officials:			
Judy Roberts, Circuit Clerk and		44,292	42,183
Ex Officio Recorder of Deeds			
Hadley E. Grimm, Associate Circuit Judge		87,235	
James Foley, Associate Circuit Judge			85,158

\* Includes fees received from probate cases.

\*\* Includes \$900 annual compensation received from the state.

\*\*\* Compensation on a fee basis.

A breakdown of employees (excluding the elected officials) by office at December 31, 1999, is as follows:

Office	Number of Employees Paid by	
	County	State
Circuit Clerk and Ex Officio Recorder of Deeds	2	3
County Clerk	3	0
Prosecuting Attorney	3	0
Sheriff *	15	0
County Collector **	3	0
County Assessor	4	0
Associate Division	0	3
Probate Division	0	1
Road and Bridge ***	26	0
Health Center *	15	0
County Park ***	3	0
Enhanced 911 ****	13	0
Total	<u>87</u>	<u>7</u>

\* Includes four part-time employees.

\*\* Includes two part-time employees.

\*\*\* Includes one part-time employee.

\*\*\*\* Includes three part-time employees.

In addition, the county pays a proportionate share of the salaries of other circuit court-appointed employees. Macon County's share of the forty-first Judicial Circuit's expenses is 68.85 percent.

\* \* \* \* \*